

Staff Summary Report

Council Meeting Date: 11/3/2011

Agenda Item Number: 5B9

SUBJECT: Request approval to award one-year contracts with four, one-year renewal options to Battery Giant, Electric Supply and Wist Office Products for the furnishing of batteries to be used throughout the City.

DOCUMENT NAME: 20111103fsmg06 PURCHASES (1004-01)

COMMENTS: Total combined costs of these contracts between all participating agencies will not exceed \$250,000 over the one- year contract. The City's portion of this cost will not exceed \$40,000.

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LEGAL REVIEW BY: Dave Park, Assistant City Attorney, 480-350-8907

DEPARTMENT APPROVAL: Ken Jones, Finance and Technology Director, 480-350-8505

FISCAL NOTE: (IFB #12-013) Sufficient funds have been appropriated in various cost centers (General and Water/Wastewater Funds) for the anticipated expenditures in the current fiscal year.

RECOMMENDATION: Award the contracts.

ADDITIONAL INFO: The City issued this Invitation for Bid (IFB) as a cooperative procurement using the combined annual battery requirements of the City of Tempe, Arizona State University, Maricopa Community College District, Tempe Union High School District, Tempe Elementary School District and Kyrene School District. The battery requirements included standard alkaline and lithium grade batteries including AAA, AA, C, D, 9 volt, 12-volt and various specialty batteries. By combining volumes, participating agencies have achieved price reductions from previous price agreements.

Evaluation Process

The City received twelve (12) bids that were evaluated by procurement and warehouse representatives of the participating agencies. The committee removed five bidders from evaluation due to non-responsive issues (Quill Corporation, Purvis Industries, West Lite Supply, ICS, and APEX Battery).

The remaining 7 responsive bids were evaluated and are shown below on a total bid by group. Group A is made up largely of standard alkaline and lithium batteries. Group B is made up of specialty batteries for radios, cameras, and industrial apparatus.

| <u>Bidder</u> | <u>Group "A" Total Bid</u> | <u>Group "B" Total Bid</u> | <u>Total Gross Bid</u> |
|-------------------------------|----------------------------|----------------------------|------------------------|
| Summit Electric Supply | \$139,880.16 * | NB | \$139,880.16 * |
| Electric Supply, Inc. | \$181,120.72 * | \$156.00 * | \$181,276.72* |
| SWABS-AZ | \$214,089.88 * | \$153.00 * | \$214,242.88 * |
| WIST Office Products | \$245,026.30 | \$1,451.64 | \$246,477.94 |
| Batteries Plus | \$291,098.82 | \$1,718.76 * | \$292,817.58 * |
| Battery Giant | \$291,538.78 | \$1,038.64 | \$292,577.42 |
| Interstate All Battery Center | \$325,126.19 | \$1,170.57 * | \$326,296.76 * |

*Denotes partial bid

Due to the cumbersome nature of the full evaluation price matrix (50 line items) staff has presented the pricing on a summary basis. Summit Electric Supply and SWABS-AZ submitted partial bids and were not low on any price sheet line item. The recommendation of a multiple award to Electric Supply (Group A only), WIST Office Products (Group A and B) and Battery Giant (Group B only) represents the lowest priced offers by Group. A multiple award is considered necessary due to the need to ensure available supply to the participating entities while offering a variety of quality brands including Rayovac, Energizer, and Duracell.